New customs examination norms

3695. SHRI K. B. KRISHNA MURTHY: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to enforce new Customs examination norms to reduce clearance time and transaction costs for the exporter community;

(b) if so, what are the salient features thereof; and

(c) by when new norms will come into force?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) and (b) The Government has relaxed the norms of examination for export goods as a trade facilitation measure to reduce the dwell time for exports. Under the revised norms, factory sealed export goods would not be examined at the gateway ports except where there is a specific intelligence. The exports under Drawback/DEPB schemes have been divided into two categories. Only 2% of the cargo would be examined in case of consignments where the amount of Drawback/ DEPB involved is Rs. 1 lakh or less. The corresponding figure is 10% for consignments where the amount of Drawback/DEPB involved is more than Rs. 1 lakh. Like wise, exports under EPCG/ DEEC Schemes have also been put into two categories depending upon the value of the consignments. The scale of examination is 2% for consignments where the FOB value is Rs. 5 lakh or less and the corresponding figure is 10% for consignments where the FOB value is more than Rs. 5 lakhs.

Having regard to the fact that examination norms for export cargo have been lowered significantly, a little higher percentage of examination has been prescribed for export consignments sent to sensitive places, namely Dubai, Sharjah, Singapore, Hong Kong and Colombo. The scale of examination varies between 25% to 50% depending upon the value of consignments/amount of export incentive involved.

(c) The new norms for examination of export goods have already come into force *w.e.f.* 23.1.2002.

Branches of Public sector banks in Foreign Countries

3696. DR. DASARI NARAYANA RAO: Will the Minister of FINANCE be pleased to state:

(a) the reasons for public sector banks having very few branches in foreign countries-whereas the foreign banks are mushrooming their branches here on a large scale;

(b) whether Government propose to give free hand to Indian Banks to open their branches abroad so as to get them the benefits of liberalisation; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Requests from foreign banks for opening of branches in India are examined on merit based on various parameters and approval is granted by RBI and the Inter-Departmental Committee set up by Government of India for the purpose. At present 40 Foreign Banks incorporated in different countries have 192 branches in India.

(b) and (c) Opening of a branch abroad by any Indian bank is a business proposition emanating from the bank itself. The permission of RBI/Government of India aims at ensuring that only banks which have capacity to survive in a competitive global market are allowed presence abroad. The proposals received from the banks are examined keeping in view various performance parameters etc. At present Indian Banks have 94 branches in foreign countries.